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DIARY NOTES

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DD/A

29 June 1954

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1. General [REDACTED] stopped by to say that he had checked his records in connection with audit inspections of the [REDACTED] Station and that a thorough audit of that Station had not been made because the Comptroller did not have a Certifying Officer there. He said that he was prepared to answer the Inspector General's memorandum when he received it. (In this connection, I want to get a complete explanation from Ed Saunders as to just what the trouble is at the [REDACTED] Station insofar as he sees it.) 25X1A6a

2. Larry Houston was over to brief me on Project [REDACTED], as well as on several other matters. Insofar as [REDACTED] is concerned, we believe that the Director should be briefed on the circumstances in connection with it as soon as possible after which we should go to Mr. Mansure, General Services Administration, and discuss the matter with him. It is not a pretty picture. We are short \$1.2 million, with little hope of recovering it, and CIA is certainly not without blame. Our failure seems to have been in advancing money too fast and in too large quantities without receiving commensurate deliveries [REDACTED] In addition, our principal agent and his associates advanced themselves something like \$97,000 out of "anticipated profits." 25X1A2d1 25X1A2d1 25X1X4

3. Larry reports that he has been negotiating with the Atomic Energy Commission on the definition of "Restricted" information to work out something whereby we could exchange such information acquired from a foreign government with another foreign government. While the Commission would not change the definition Larry believes that a satisfactory arrangement has been worked out and that it will be formalized through an exchange of correspondence between Mr. Dulles and Admiral Strauss.

25X1A9a 4. Larry reports that the Atomic Energy Commission is requesting that we use our Section VIII authority to bring into this country the wife of a scientist by the name of [REDACTED] if his wife cannot be admitted. Larry has advised the Commission that we will consider the case. I told him that it sounded to me as though we would be stretching the point quite a bit but that in any case such action would have to be approved personally by the Director.

25X1A9a 5. Larry Houston and Jim Garrison had both reported that Messrs. [REDACTED] and Garrison had had a satisfactory conference with [REDACTED] and believed that he would cause no more trouble immediately. However, I am convinced that we will be involved with him in one way or another for some time to come in order to keep him [REDACTED] 25X1A9a 25X1C

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- 25X1A9a 6. I talked to Larry about the possibility of getting [redacted] to re- 25X1A9a
place [redacted] while he is at Harvard and he was agreeable.
7. I talked to Dr. Tietjen about medical shortcomings in connection with 25X1A6a
Project [redacted] which I had noted in the Inspector General's report on the Of- 25X1A6a
fice of Training. First of all, there is a morale problem at [redacted] by rea-
son of the fact that Dr. [redacted] had been rendering complete medical service to
dependents, as well as to employees, both on and off the base. His replacement,
25X1A9a [redacted] doctor, is adhering strictly to the letter of the law and has stopped
25X1C4a this practice, thus creating a morale problem. Nevertheless, the new doctor is
entirely in the right and it appears that Dr. [redacted] may have gone too far in 25X1A9a
this regard. The report also says that we have been slow in filling medical re-
quisitions both for medications and supplies, that we have not supplied medical
histories to the base physician on individuals enrolled in strenuous courses,
and that we have failed to notify the base physician of known conditions requir-
ing regular treatment. While I do not think that the situation is serious, I
have asked Dr. Tietjen to go to [redacted] at his earliest convenience. 25X1A6a
- [redacted] individual whom 25X1A9a
[redacted]. Dr. Tietjen
nonconcurs because he thinks the subject will be a difficult settlement and se-
curity problem. I encouraged him to nonconcur in the memorandum going forward
to the Director.
9. I approved of Dr. Tietjen taking annual leave the last two weeks in July
and the first few days in August.
- 25X1A9a 10. [redacted] who has just returned from [redacted] was in to see me prior 25X1A6a
to going on leave. When he returns from leave he will undergo training in the
DD/A area for approximately two years.
- 25X1A9a 11. I approved of an Administrative Plan for Project [redacted] which 25X1A2d1
[redacted] handcarried to me. (It had been in the Office of the General Coun-
sel since the 23rd of April.)
- 25X1A9a 12. Talked to [redacted] about Project [redacted] and it was agreed that an 25X1A2d1
Administrative Plan would be prepared. The memorandum which [redacted] had 25X1A9a
written to the Director was withdrawn and turned over to Ted. I authorized the
advance of \$15,000 out of Fiscal Year 1954 money for this Project, subject to
the preparation of an Administrative Plan as soon as possible.
- 25X1A9a 13. [redacted] telephoned requesting advice as to what to do about an NEA at-
25X1A9a tempt to use \$60,000 of Project [redacted] money for another project. I telephoned 25X1A2d2
[redacted] and told him that this again looked like an attempt to obligate Fis-
cal Year 1954 money on a questionable basis. I asked him to determine whether
it would be appropriate to use this money at all in view of the specific purpose
for which it had been approved and also said that it appeared that if we were go-

-2-
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25X1A2d1 ing to use [REDACTED] money it would require specific authorization to make payment in dollars. He assured me that he would look into the matter and get it straightened out.

14. At my request General [REDACTED] agreed to brief DD/A Office Heads on the "Clandestine Services Planning System" at 11:00 a.m., 8 July, in Room 1037, "K" Building. This will be in lieu of our regular DD/A Staff Meeting. 25X1A2d1

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